Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

LIMITED OFFICIAL USE

PAGE 01 TAIPEI 02177 110154Z
ACTION EB-08

INFO OCT-01 EA-10 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01
DOE-15 /111 W
----------076875 110545Z /14
R 110141Z APR 78
FM AMEMBASSY TAIPEI
TO SECSTATE WASHDC 7026

LIMITED OFFICIAL USE TAIPEI 02177

E.O. 11652: N/A
TAGS, ETRD, ELEC, EIND, TW
SUBJECT: EXPORT OF COLOR TV TO THE UNITED STATES--OLYMPIC INTERNATIONAL

REF: A) STATE 016403 B) TAIPEI 0616

1. OLYMPIC INTERNATIONAL'S PROPOSED INVESTMENT TO MANUFACTURE COLOR TELEVISION SETS IN TAIWAN FOR EXPORT TO THE U.S. (REPORTED REF B) IS AT PRESENT APPARENTLY SUSPENDED, BUT NOT NECESSARILY ABANDONED. AS OF APRIL 6, THE INDUSTRIAL DEVELOPMENT AND INVESTMENT CENTER OF THE MINISTRY OF ECONOMIC AFFAIRS HAS NOT RECORDED ANY INFLOW OF OLYMPIC'S CAPITAL UNDER THE INVESTMENT APPROVAL FORMALLY GRANTED IN OCTOBER 1977. FURTHER, OLYMPIC'S LOCAL LAW FIRM, LEE AND LI, UNDERSTANDS THAT OLYMPIC CONSIDERS THE RENT BEING ASKED FOR THE VICLITE COMPANY'S VACANT FACTORY BUILDING IS TOO HIGH. ALSO, OLYMPIC HAS ALLEGEDLY SUSPENDED IMPORT OF SOME JAPANESE PRODUCTION EQUIPMENT AFTER THE JAPANESE MANUFACTURER ASKED FOR CONTRACT PRICE RENEGOTIATIONS FOLLOWING THE YEN'S RECENT UPWARD REVALUATION. LEE AND LI'S IMPRESSION IS THAT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TAIPEI 02177 110154Z

WHILE OLYMPIC IS OBVIOUSLY FINANCIALLY WEAK, IT HAS NOT YET COMPLETELY ABANDONED ITS PLANS TO MANUFACTURE COLOR TVS IN TAIWAN.

2. COMMENT: LOCAL SOURCES SPECULATE THAT OLYMPIC MAY HAVE BEEN FRIGHTENED OFF BY THE UNCERTAINTY SURROUNDING THE US GOVERNMENT CURRENT REVIEW OF THE OMA WITH JAPAN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

AND THE POSSIBLE EXTENSION OF THE OMA TO TAIWAN. ANOTHER FACTOR MAY HAVE BEEN THAT OLYMPIC'S PROPOSED MARKETING STRATEGY--TO MANUFACTURE CTVS ON A "PRE-SOLD" CONTAINER-LOT BASIS--DEPENDS ON A HIGH LEVEL OF IMMEDIATE ORDERS, WHICH IT MAY NOT HAVE HAD IN HAND. EVEN IF THE INVESTMENT IS LATER REVIVED, IT WILL DEFINITELY MEAN FEWER CTV EXPORTS FROM TAIWAN TO THE U.S. IN 1978 THAN PREVIOUS FORECASTS HAD INDICATED. (A LARGE REDUCTION IN FORECAST CTV EXPORTS TO THE U.S. HAS ALSO BEEN REVEALED BY RCA'S LATEST REVISED PLANS WHICH TENTATIVELY CALL FOR THE EXPORT OF ONLY 450,000 SETS AND "CHASSIS" IN 1978, DOWN FROM THE 550,000 PLANNED FOR AS OF NOV-DEC 1977.)

3. OLYMPIC INTERNATIONAL'S U.S. ADDRESS IS 26 GENERAL PLACE, JERICHO, N.Y. 11753, AND TELEPHONE NUMBERS ARE (516) 334-4811 AND (212) 895-9540. UNGER

LIMITED OFFICIAL USE

NNN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, TELEVISION
Control Number: n/a
Copy: SINGLE
Draft Date: 11 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978TAIPEI02177
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780155-0254
Format: TEL
From: TAIPEI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780468/aaaacgbf.tel
Line Count: 78
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 899361b2-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 16403, 78 TAIPEI 616
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3001513
Secure: OPEN
Status: NATIVE
Subject: EXPORT OF COLOR TV TO THE UNITED STATES--OLYMPIC INTERNATIONAL
TAGS: ETRD, ELEC, EIND, TW, OLYMPIC INTERNATIONAL
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/899361b2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014